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C O N F I D E N T I A L SECTION 01 OF 05 DUSHANBE 000172

SIPDIS

STATE DEPARTMENT FOR S/RAP

E.O. 12958: DECL: 2/12/2020

TAGS: [PREL](#) [PGOV](#) [PHUM](#) [EAID](#) [ECON](#) [EINV](#) [TI](#)

SUBJECT: TAJIKISTAN SCENESETTER FOR VISIT OF SRAP HOLBROOKE

CLASSIFIED BY: Necia Quast, Charge d' Affaires, EXEC, DoS.

REASON: 1.4 (b), (d)

¶1. (C) Summary: U.S. interests in Tajikistan are a stable state on Afghanistan's northern border, support for our military efforts in Afghanistan, and for Tajikistan to be a stabilizing influence and contributor to economic development in the region.

Tajikistan gives unrestricted over flight rights, and quickly agreed to NDN ground transit. In the medium term, it could play a more active role in regional development, because of its huge hydropower potential, relative (to Afghanistan) stability, and religiously moderate population. But to do so Tajikistan must overcome multiple political and economic problems which stymie its own development: poverty, bad relations with Uzbekistan, intense corruption, Soviet-era economic structures and planning, an undemocratic political system, chronic food insecurity, and dependence on migrant labor in Russia.

¶2. (C) U.S. assistance has shown mixed results in the development sphere. Recent steps to improve the business climate have been offset by the government's campaign to force its citizens to contribute to the construction of the Roghun hydroelectric dam. The government is not willing to reform its political process. Our security cooperation shows some promise.

Regardless of our efforts, there is a limit to what Tajikistan can offer: it produces very little, is poor, and its government has minimal capacity. The Tajiks have some unrealistic ideas about what we can offer them -- mainly large infrastructure projects including questionable power plants, tunnels to Pakistan, and bridges to nowhere. There is some truth to the quip that Tajikistan's real contribution to our efforts in Afghanistan is to be stable, and to allow unfettered over flight and transit to our forces - which the Tajiks have done unflinchingly. We try to promote Tajik police which will ensure continued stability. End summary.

A DIFFICULT NEIGHBORHOOD

¶3. (C) Some of Tajikistan's difficulties are geographic. Chronic problems with Uzbekistan, fueled by personal animosity between the presidents of each country, has stymied Tajikistan's trade, energy self-sufficiency, and economic development. Afghan instability is a malign influence: traffic in drugs undermines rule of law in Tajikistan, Tajiks fear the spread of extremist ideas from Afghanistan, and militants in Afghanistan can threaten Tajik security across the long, porous border.

Russian interference looms large in the Tajik consciousness. The Russians control one major hydropower dam in Tajikistan, a source of disagreements between the two countries. The Tajiks seek alternative partners, including the United States, China, and Iran, to balance Russian influence. China is a major infrastructure donor, with over \$1 billion in low-interest loans to Tajikistan to build roads and power line projects. Iran funds tunnel and hydropower projects, but displays of Persian solidarity do not mask deep suspicions between the hard-drinking, Soviet-reared, Sunni elite in Dushanbe and religiously conservative Shiites in Tehran.

14. (C) The Tajik government presses us for greater benefits in return for support on Afghanistan. The Tajiks think Uzbekistan is keeping all NDN-related business for itself; they want more traffic to transit Tajikistan, more infrastructure to support that traffic, and the United States to purchase Tajik goods for forces in Afghanistan. We currently purchase small amounts of Tajik bottled water for ISAF. They have indicated they would be happy for the U.S. establish an air base in Tajikistan. They see U.S. involvement in the region as a bulwark against Afghan instability, and as a cash cow they want a piece of.

FEAR OF INTERNAL RIVALS, MILITANTS, AND RUSSIA

15. (C) The Tajik civil war ended in 1997 with a power sharing arrangement between President Rahmon's government and the leaders of the United Tajik Opposition (UTO). Since the end of the war, Rahmon gradually has reneged on this deal and forced

DUSHANBE 00000172 002 OF 005

nearly all oppositionists out of government -- some are in prison, some left the country, and others died mysteriously. In May 2009 an armed group led by a former UTO figure, Mullah Abdullo Rahimov, returned to Tajikistan from Afghanistan, reportedly with several foreign fighters. Tajik security forces neutralized this group without outside assistance. They have told us U.S. training enabled their security forces to win, and they are eager for more training.

16. (C) Russian-Tajik relations have deteriorated. Tajik officials believe the Russians supported Mullah Abdullo's group, to signal Tajikistan that they need Russian protection. The two governments could not agree on the terms of Russian involvement in the Roghun Dam, and they have other differences. In October 2009 the President downgraded the formal status of the Russian language in Tajikistan. His government broached charging Russia rent for its military bases in Tajikistan. In 2009 the Russian-controlled Sangtuda-1 hydroelectric plant cut production when the government of Tajikistan's failed to pay its bills on time.

ECONOMIC DIFFICULTIES

17. (C) Tajikistan is the poorest of the former Soviet republics. It is more mountainous than Afghanistan, with earthquakes, floods, droughts, locusts and extreme weather. Parts of the country are often cut off by snow and avalanches. External links pass through obstructive Uzbekistan, unstable Afghanistan, or over the rough, remote Pamir passes to western China. Its only industrial products are aluminum and hydroelectricity. The Tajik Aluminum Company (Talco) accounts for most of Tajikistan's exports. Though it is technically state-owned, most of its revenues end up in a secretive offshore company controlled by

the President, and the state budget sees little of the income. Talco consumes up to half of Tajikistan's electricity, contributing to major seasonal shortages and suffering.

¶8. (C) President Rahmon's response to Tajikistan's chronic energy insecurity was in late 2009 to launch a massive campaign to fund and build the Roghun Hydroelectric Plant. Roghun would be the highest dam in the world, and double Tajikistan's electricity generation capacity. The government's fundraising efforts, however, have drawn serious concern from international donors. Individuals and organizations across all walks of life have been coerced into buying shares in the project. Many people have been told they will lose their jobs unless they contribute an amount equal to many months' salary. While the government claims all share sales are voluntary, there is ample evidence that officials are forcing the population to cough up funds. Apart from the human rights question, donors are concerned that the nearly \$200 million in funds raised so far will not be accounted for and spent transparently. Considering Talco's share of electricity consumption, the Roghun campaign looks like a means to ensure Talco's continued profitability.

¶9. (C) Tajikistan's economy suffers from the global recession through major drops in exports, imports, and remittances from a million Tajiks working in Russia. The money they sent home was equal to over 50% of GDP in 2008, and literally keeps rural communities alive. Remittances dropped 34% in 2009. The greatest obstacle to improving the economy is resistance to reform. From the President down to the policeman on the street, government is characterized by cronyism and corruption. Rahmon and his family control the country's major businesses, including the largest bank, and they play hardball to protect their business interests, no matter the cost to the economy writ large. As one foreign ambassador summed up, President Rahmon prefers to control 90% of a ten-dollar pie rather than 30% of a hundred-dollar pie.

ELECTIONS ARE COMING, BUT DEMOCRACY ISN'T

DUSHANBE 00000172 003 OF 005

¶10. (C) The government has limited opposition party operations and rejected electoral law reforms for the February 28, 2010 parliamentary elections. The Embassy does not expect the elections to be free and fair. There has been almost no coverage of opposition political parties by state media, and most of the population is unaware of the purpose of the elections. Parliamentary opposition is weak -- only 15 of the 62 members are not in the ruling party, and some of these are independent in name only. The most prominent opposition party, the Islamic Renewal Party of Tajikistan (IRPT), has two seats in the outgoing parliament. IRPT leadership has supported the government on most issues and downplays the importance of Islam in the party's platform. Parliament acts as a rubber stamp.

¶11. (SBU) In 2009 Parliament passed a restrictive new law on religion, curbing the activities of religious groups, Islamic or otherwise. Our advice that this could radicalize many believers has fallen on deaf ears. Last year, the government arrested dozens of individuals, accusing them of membership in the banned "Salafiya" movement, but it has no evidence that there is an organized Salafiya movement. It also arrested 92 members of the Muslim fundamentalist missionary group, Jamaati Tabligh. Most mainstream Muslim religious leaders view the Tabligh members as harmless missionaries and have called for their release.

¶12. (SBU) Independent media is reeling after government officials recently filed lawsuits against five newspapers for reporting on public government reports and statements in open court which were critical of judges and government ministries. The newspapers will be forced to close if the lawsuits succeed. We and European partners have protested the lawsuits.

DIFFICULT RELATIONS WITH DONORS

¶13. (SBU) In 2007 Tajikistan's National Bank admitted it had hidden a billion dollars in loans and guarantees to politically-connected cotton investors (of which \$600 million was never repaid), violating its IMF program. The IMF demanded early repayment of some debt, an audit of the National Bank, and other reforms before renewing assistance. In May 2009 the IMF voted to lend a further \$116 million to Tajikistan to help it through the next three years; the U.S. was the only IMF member to vote against this, which infuriated the Tajik government. The IMF has so far disbursed \$40 million. A team from Washington was recently in Dushanbe to assess government progress, establish new benchmarks for the next tranche of funds, and assess the impact of Roghun fundraising. The team's assessment should be available soon. Donors are concerned that the campaign to finance Roghun is exacerbating severe poverty, and violates the terms of the IMF's assistance. It raises questions about the government's frequent appeals to donors for financial aid and its willingness to enact economic reforms as a condition of that aid. Donors have expressed their concerns formally to the government and await a response. Donors are pushing regional energy market integration and the construction of power lines that will allow Tajikistan and Kyrgyzstan to sell surplus summer electricity output to Afghanistan and Pakistan. A 220 kW line from Tajikistan to Afghanistan is under construction with Asian Development Bank financing, and will be finished in late 2010. The larger CASA-1000 power line project to link to Afghanistan and Pakistan has been delayed by financing problems.

U.S. ASSISTANCE

¶14. (U) U.S. assistance to Tajikistan will grow significantly to \$45.3 million in FY 2010, from \$27.8 million in FY 2009. The new money will go to agriculture, trade, and private sector initiatives to compensate for the loss of the much-needed food security programs. Until FY 2008 Tajikistan had a multi-year

DUSHANBE 00000172 004 OF 005

food aid program that had significant results reducing food insecurity in some of Tajikistan's most at-risk regions, followed by similar single-year programs in FY 2009 and 2010. A new Food Security Initiative is in development, but it remains unclear whether Tajikistan will receive any of those funds. New programs also will address chronic energy shortages by building a regional energy market and helping the Central Asian states address water and power issues. Tajikistan was awarded \$9.9 million in FY 2008 1207 funds to address stability issues. The major threats to stability arise from the Tajikistan's poverty -- the World Bank estimates over 60% of the population lives below the poverty line -- and the government's demonstrated inability to respond to emergencies. The 1207 project works in 50 isolated communities in the Rasht and Fergana valleys, and along the Afghan frontier. Health and education deficiencies are so acute they imperil our progress in other areas. Our programs work to improve health policies, systems and services, teacher training, education finance, national curriculum, student assessment, and school governance.

SECURITY COOPERATION

¶15. (C) Security Cooperation remains a strong point in our relationship with Tajikistan. The Ministry of Defense volunteered last year for the first time to host CENTCOM's Exercise Regional Cooperation, including Afghanistan, Kyrgyzstan, and Kazakhstan, which concluded August 10. CENTCOM and the Tajik Armed Forces held Consultative Staff Talks in May and established the FY 2010 Security Cooperation Plan, which reflects Tajikistan's increased interest in demining and participation in the Global Peace Operations Initiative (GPOI). The U.S. Army Humanitarian Demining Research and Development Office will provide Tajikistan a mechanical demining machine for field evaluation in FY 2010 with a planned FMF purchase in FY ¶2011. Tajikistan reconfirmed its commitment to deploy a company-sized peacekeeping unit in 2011. Training begins this month with a National Policy White Paper Workshop that will help shape development in the Ministry of Defense and their Mobile Forces. A General Staff level workshop and actual unit training will take place next year.

¶16. (C) The Nizhny Pyanj Bridge and Point of Entry facilities have improved the links between Tajikistan and Afghanistan significantly. Though the bridge is not being used to its fullest capacity, traffic is much heavier than the old ferry system, and continues to grow. Counts vary between 40 and 200 containers and transport trucks per day. CENTCOM 2010 funding at this facility will improve lighting, fences, and cameras, and parking areas. Tajikistan is eager to see us make greater use of our agreement on transit of non-lethal goods to Afghanistan through the Northern Distribution Network (NDN), and hopes for economic benefits to Tajikistan from this agreement. So far we have low rate truck traffic from Manas through Tajikistan to Bagram. Defense Logistics Agency is arranging to buy bottled water from a Tajik producer for forces in Afghanistan. The Tajiks are looking for any way to circumvent Uzbekistan's stranglehold on their trade.

US SOF ENGAGEMENT

¶17. (S) The U.S. Embassy plans to continue to build the capacity and capability of select Tajikistan security forces, in support of CENTCOM Joint Interagency Coordination Group for Counter Narcotics (JIACG-CN), and U.S. government strategic themes, goals and objectives for Tajikistan. Once SOCCENT forces have done an assessment and started organizing these groups into special units, the main goal is to sustain an increase in capabilities by U.S. Special Forces Joint Combined Exercise and Training (JCET) and Counter-narcotic training (CNT) missions.

NARCOTICS

DUSHANBE 00000172 005 OF 005

¶18. (C) Tajikistan is a major transit route for Afghan heroin going to Russia and Europe. According to UN Office of Drugs and Crime (UNODC) estimates, 40 tons of Afghan opiates enter Russia each year via Tajikistan. Less than 5% is seized before reaching Russia. Capabilities of Tajik law enforcement agencies are severely limited. Corruption is a major problem. Law enforcement agencies are reluctant to target well-connected

traffickers, but are effective against low- and mid-level traffickers. The Drug Control Agency (DCA) is a ten-year-old, 400-officer agency developed through a UNODC project. Many countries are donors, but an INL-funded salary supplement program provides the primary funding. DCA's liaison officers in Taloqan in northern Afghanistan were key to seizures totaling over 100 kilos of heroin in the last four months. U.S. Drug Enforcement Agency (DEA) agents work with DCA to deepen operations.

¶19. (SBU) Until 2005, the Russians guarded the Tajik/Afghan border; after the Russians departed, the outposts were broken down lean-tos, unfit for human habitation. The Tajik Border Guard force is staffed largely by conscripts who are poorly trained, poorly paid, underequipped and often under-fed. INL rebuilt border posts, giving the Border Guards suitable and safe places to live, creating conditions for successful border patrol operations. Each new outpost costs about \$500,000 and houses more than 100 guards. The outposts use low-maintenance energy-efficient prefab construction and alternative energy, including solar, wind and micro-hydro power. We are planning a pilot project of joint Tajik/Afghan border guard training in Khorog. If successful, it will be part of the regular training of guards assigned to the Afghan/Tajik border. We are exploring offering a popular Emergency First Responder course to a joint class of Tajik and Afghan border guards. INL has rebuilt the Tajik Border Guard academy. A U.S. Border Patrol team plans to visit to discuss and demonstrate patrolling techniques at the Academy and in the field; this might lead to an exchange of instructors.

¶20. (C) CENTCOM's Counter Narcotics program is making strong contributions to Tajikistan's security. This year, \$16.9 million in funding, recently approved in the Supplemental Bill, will support construction of an interagency National Training Center, infrastructure at the Nizhny Pyanj Point of Entry, and communications equipment. The Training Center will be a multi-use facility for all ministries and serve as a venue for SOCCENT's bi-annual Counter Narco-Terrorism training. A recent end-use monitoring visit demonstrated the Tajiks are using previously provided communications equipment and maintaining the equipment. This year, we will begin establishing an interagency communications architecture at Nizhny Pyanj and the adjoining district. This will allow five government agencies to communicate using a compatible system.

QUAST